

## REPORTING

### **Note X – Government Combinations**

#### **Government Combinations: Mergers, Transfers of Operations, Acquisitions, Disposals of Operations**

Adjust the title appropriately to the government's combination. The following disclosure applies to any combination:

- Brief description of combination,
- Date of combination, and
- Brief description of the primary reason for the combination.

#### Government Mergers and Transfers of Operations

The new/continuing government should disclose:

- Amounts recognized for each financial element in the statement of net position of the merged entity:
  - Within total assets, distinguishing: current assets, capital assets, and other assets
  - Within total liabilities, distinguishing: current amount from long-term amounts
  - Deferred outflows and inflows
- Brief description of significant adjustment, and
- Initial amounts recognized by the new/continuing government if different from those previously recognized by the merged entity (because of adjustments).

#### Government Acquisitions

For government acquisition, the acquiring government should disclose:

- Brief description of the consideration provided,
- Total amount of net position acquired, and
- Brief description of contingent consideration arrangements.

#### Disposals of Operations

A government disposing of operations should disclose:

- Identification of operations that were transferred or sold,
- Description of the facts and circumstances leading to the disposal,
- Total expenses (distinguishing between operating and nonoperating),
- Total revenues (distinguishing between operating and nonoperating), and
- Total governmental fund revenues and expenditures.

For a detailed discussion of the governmental combinations see GASB Statement 69, Government Combinations and Disposals of Government Operations.